6/7/84 U8960-2 A

ueber

Utah Economic and Business Review

Volume 44
Number 2
February 1984

BEBR

graduate school
of business
bureau of economic and
business research
university of utah

SKIING IN UTAH — Its Contribution to The Economy

By *Constance C. Steffen,* Research Analyst

Introduction

The ski industry is becoming increasingly more visible in Utah. Ski-related development in the Park City area in the past few years has been dramatic. Deer Valley, a first-class resort, opened in 1981 and hundreds of luxurious condominiums as well as many new restaurants and stores have been built. Development of new condominiums and a hotel is presently underway at Brian Head, and plans are being pursued to make Snow Basin a major destination ski area and to build a new resort on Heritage Mountain near Provo.

The growing presence of the ski industry prompted the Utah Ski Association and the State Division of Industrial Development to commission a study of the impacts of skiing on the Utah economy. This article summarizes the findings the study which was conducted by the Bureau of Economic and Business Research.[1]

Objectives of the research were to measure the economic impacts of skiing in Utah in terms of the revenue, employment, wages, as well as state and local taxes generated by the sport. The direct impacts of skiing to the state's economy are derived from three sources of revenue. The major source is the expenditures of skiers, both residents and non-residents on ski trips. Resident skiers also make considerable purchases of ski equipment, apparel, and accessories within the state prior to their visits to the resorts; therefore, the purchases of ski products by persons not on ski trips is another source of ski revenue. In addition, all sales and earned income of Utah's 14 ski areas, whether or not the sales were made to skiers, are considered to be ski-related.

Methodology

The direct impacts of skiing on the economy are difficult to determine because many different industry sectors are affected. When skiers visit Utah, they purchase a wide variety of goods and services, generating revenue at ski areas, hotels, restaurants, ski shops, gasoline service stations, food stores, etc. Measurement of skiing's impact is further complicated, because the businesses providing services to skiers are generally small businesses, which means thousands of establishments within the state are the recipients of ski revenue.

In this study, many sources of data were incorporated to estimate skiing's impact. Ski areas, lodging facilities, ski shops and sporting goods stores, as well as some ground

[1] Constance C. Steffen, *The Impact of Skiing on the Utah Economy*, Bureau of Economic and Business Research, University of Utah, 1984.

transportation companies, were surveyed about their revenue, employment, payroll, tax payments, and their business attributed to skiing. Since surveys of these businesses would reveal only a portion of the total revenue generated by skiing, previous studies of skiers' expenditures in Utah and other states were examined. Expenditure patterns of resident and non-resident skiers were determined, based on the expenditure patterns of skiers in Utah during the 1978/1979 ski season, the last season in which skiers throughout the state were surveyed regarding their purchases while on ski trips.[2] The expenditure patterns delineate the proportions of spending allocated for skiing, lodging, food, transportation, entertainment, and miscellaneous purchases of goods and services.

Other sources of data used in the computation of the direct impacts were sales and transient room tax records of the Utah State Tax Commission, air traffic reports of Salt Lake City International Airport, and lodging statistics gathered by the Park City Chamber of Commerce.

Direct Impacts of Skiing

The amount of revenue generated by each of the three sources of ski-related revenue is presented below along with brief explanations of the procedures employed in the derivation of revenue. Following the discussions of each revenue source, the total direct impacts in terms of revenue, employment, wages, and taxes are described. In compiling the total impacts, techniques were implemented to avoid double-counting which would otherwise result if the impacts of the three revenue sources were simply added together.

Ski Area Revenue

Twelve ski areas reported revenue by source for fiscal years 1981/1982 and 1982/1983 in the surveys. In each year, total ski area revenues exceeded $50 million, with revenues in the 1981/1982 fiscal year slightly higher than in 1982/1983. The apparent small decrease in total revenues is a misleading indicator of ski area business, because all revenue sources registered significant increases except real estate, which declined by $9.6 million. The difference in the real estate sales figures is explained by the substantial land sales made by Deer Valley Resort in its initial year of operation in 1981/1982.

The significant increase in revenue from all other sources is especially impressive in light of the high rates of unemployment which persisted throughout the winter of 1982/1983. The performance of the ski areas last year suggests that this industry is relatively unaffected by downturns in the business cycle.

A conservative estimate of total ski area revenue in 1982/1983 for all 14 Utah ski areas is $51.2 million. Of this total, $5.9 million was generated during the off-season, July - November and May - June.

Resident Skier Expenditures

The first step in deriving resident skier expenditures during the 1982/1983 ski season was to determine their distribution of expenditures by category. The percents assigned to lodging, skiing, food, retail/services, transportation, and entertainment as listed in Table 1, are identical to the actual spending patterns of skiers in 1978/1979. No adjustments were made to the 1978/1979 figures, because the factors which influence resident spending, i.e., relative prices, distance from place of residence to ski areas, do not appear to have changed in any dramatic or obvious manner in the past five years. Another consideration was the remarkable stability of resident skier spending habits in the past. The 1978/1979 pattern differs minimally from the distribution of resident skier expenditures in 1974/1975.[3]

The next step was to estimate resident expenditures within the skiing category which includes purchases of lift tickets, ski lessons, and equipment rentals. Sales of lift tickets to residents were calculated with data provided in the ski area surveys, and their expenditures for lessons and rentals were estimated based on previous surveys of skiers. Residents were estimated to have spent $15.6 million for lift tickets, lessons, and equipment rentals combined. If skiing expenditures were 70.9 percent of the total, then total resident expenditures were $22 million during the 1982/1983 season.

Expenditures in other categories were estimated by multiplying the percentages assigned to each

[2] John D. Hunt and Gary Cadez, *Ski Utah! A Report of the Industry*, Institute of Outdoor Recreation and Tourism, Utah State University, (Logan, Utah, 1979).

[3] John D. Hunt, 1976 and 1979.

Table 1
Expenditures of Skiers on Ski Trips in Utah
1982-1983 Ski Season

Type of Expenditure	Utah Residents		Non-Residents	
	Percent of Total	Expenditures (Mil. of Dollars)	Percent of Total	Expenditures (Mil. of Dollars)
Lodging	3.2	$ .7	28.0	$24.6
Skiing	70.9	15.6	22.3	19.6
Food	13.5	3.0	26.5	23.3
Retail/Services	6.1	1.3	11.4	10.0
Transportation	5.1	1.1	8.0	7.0
Entertainment	1.2	.3	3.8	3.3
Total	100.0	$22.0	100.0	$87.8

Source: *The Impact of Skiing on the Utah Economy* (Salt Lake City: Bureau of Economic and Business Research, February, 1984).

category by total spending, $22 million. Food expenditures of $3 million rank a distant second behind skiing expenses. In the case of residents, food expenditures generally reflect purchases of meals and beverages from restaurants. Groceries would be included only if they were purchased during the ski trip. Resident purchases of miscellaneous goods and services, such as ski accessories and child care, amounted to $1.3 million. Transportation expenses, i.e., gasoline and bus fare, were $1.1 million. Lodging expenses of $.7 million indicate that resident skiers occasionally made overnight ski trips. Last year it is estimated that residents spent $.3 million on entertainment other than skiing while on ski trips. This category includes expenditures for video games, barhopping, professional sporting events, and other amusements.

Non-resident Skier Expenditures

Spending patterns of non-resident skiers in 1982/1983 were presumed to be somewhat different from those in 1978/1979. The development of many new stores and restaurants in Park City, Brian Head, and Salt Lake City in the past five years has created new spending opportunities for skiers. Skiers visiting Utah in 1982/1983 were expected to spend relatively more for food and miscellaneous goods than in 1978/1979. To adjust for this expected change in purchasing behavior, the percentages for the food and retail/services categories were raised slightly and the lodging and skiing percentages were diminished. The predicted distribution of non-resident skier expenditures for 1982/1983 is listed in Table 1.

Total spending for skiing and lodging were calculated with information provided in the ski area and lodging surveys. Non-resident skiers' purchases in these two categories were determined by subtracting out resident skier spending from the totals. Knowing the distribution of non-resident expenditures and the levels of their lodging and skiing purchases, expenditures for the remaining categories and the total could be estimated. As depicted in Table 1, non-resident skiers spent approximately $87.8 million in 1982/1983 with the greatest proportions spent for lodging, $24.6 million; food, $23.3 million; and skiing, $19.6 million.

Another perspective of skier expenditures is provided in Table 2, Skier Expenditures per Skier Visit. Resident expenditures of $18.75 per skier-visit and non-resident expenditures of $73.75 per skier-visit were calculated by dividing total spending by 1,173,795 resident skier-visits and 1,190,494 non-resident skier-visits.[4]

Ski Product Sales and Rentals

Of the 80 ski shops and sporting good stores surveyed, 26 reported their revenue from sales and rentals of alpine and nordic ski equipment, apparel, and accessories. According to these stores, sales and rentals of ski goods amounted to $10.4 million, of which $5.5 million was attributed to purchases by non-residents.

[4]Skier-visit is defined as one person skiing all or part of a day.

Table 2
Skier Expenditures Per Skier Visit[a]
1982-1983 Ski Season

	Residents[b]	Non-Residents[b]
Lodging	$ .60	$20.66
Skiing	13.29	16.46
Food	2.56	19.57
Retail/Services	1.11	8.40
Transportation	.94	5.88
Entertainment	.26	2.77
Total	$18.74	$73.75

[a]Skier-visit is defined as one person skiing all or part of a day.

[b]The sum of the various types of expenditures do not equal the total due to rounding.

Source: *The Impact of Skiing on the Utah Economy* (Salt Lake City: Bureau of Economic and Business Research, February, 1984).

Representatives of UDISCO, the parent company of Wolfe's Sportsmans Headquarters and Sunset Sports Centers, have estimated that ski product sales in Utah are a $20 - $25 million business.[5] The survey results and the comments of the UDISCO representatives indicate that sales and rentals of ski equipment, apparel and accessories were approximately $25 million in 1982/1983.

Total Ski Revenue

Total revenue attributed to skiing was approximately $131.6 million in 1982/1983. This calculation was made by aggregating ski area revenue, skiers' expenditures other than at ski areas, and sales of ski products made to persons not on ski trips.

Ski Employment

The revenue generated by skiing results in the creation of nearly 4,000 jobs throughout the Utah economy. This employment figure refers to the average number of jobs attributed to skiing throughout the year. The actual number of jobs in the winter would be greater than 4,000, and fewer jobs would exist in the summer. Peak employment occurred in February when approximately 2,800 persons were on ski area payrolls. The expenditures of skiers other than at ski areas were responsible for an average of 2,086 jobs throughout a spectrum of Utah businesses including, but not limited to, hotels, motels, and property management companies; restaurants, food stores and liquor stores; gasoline service stations, car rental agencies, bus and limousine companies, and airlines; and miscellaneous retail stores. Finally, the sales of ski products to persons not on ski trips created an estimated 162 jobs.

Ski Wages

Total wages and salaries of ski industry personnel in 1982/1983 were approximately $37.3 million. It is important to note that this figure does not encompass all personal income generated by skiing. Many businesses which supply goods and services to skiers are small businesses owned by a sole proprietor. Neither proprietor's income nor income from tips are included in the $37.3 million wage figure.

State and Local Taxes

The revenue generated by skiing flows to state and local government from several sources. Most goods and services purchased by skiers are subject to either sales, transient room, gasoline, or liquor taxes. The businesses which provided services to skiers pay property and franchise taxes as well as business license fees. Property taxes are paid by owners of vacation homes near ski resorts, and individuals who receive ski-related income pay personal income, property, and other miscellaneous taxes.

In the study, a total of $15.4 million in ski-related taxes was identified. This amount includes most of the state and local taxes associated with skiing with the exception of taxes paid by firms providing services to skiers, other than ski areas; and property taxes paid by owners of ski vacation homes, other than homeowners in the Park City area.

Indirect Impacts of Skiing

Selected indirect impacts of skiing to the Utah economy are discussed below.

[5]Telephone conversations with Jack Spitz and John Morton of UDISCO, June, 1983.

Purchases by Utah Ski Areas

Nine Utah ski areas purchased supplies costing $23.1 million during the 1982/1983 fiscal year. These purchases from Utah suppliers compare with major imports of only $8.1 million.

Total personal income generated by nine ski areas' purchases from Utah firms and individuals was approximately $36.8 million. Total personal income divided by direct wages to ski area personnel yields an income multiplier of 2.82. In other words, every $1.00 of ski area payroll creates another $1.82 in income elsewhere in the Utah economy.

Construction Employment

The impending opening of Deer Valley Resort in December of 1981 spurred a wave of building activity in Summit County that year. Permits were filed for ski vacation homes valued at approximately $37.4 million. Together with vacation home construction valued at $2.4 million in Brian Head, total ski vacation home development was $40.1 million. This level of building was estimated to have provided jobs for 677 full time on-site construction workers.

Construction activity in 1982 slowed down due to high interest rates. The building of ski vacation homes with a value of $17.6 million in Park City created approximately 280 full time jobs.

Ski Condominium Sales

A survey of real estate agencies specializing in sales of ski properties, revealed that condominium sales in Park City, Brian Head, and Little Cottonwood Canyon in 1982/1983 amounted to $93 million. If all sales were handled through real estate agencies at commissions of 6 percent, total real estate income earned from ski condominium sales was $5.6 million.

Ski Product Manufacturers and Distributors

Representatives of 18 Utah firms which manufacture or distribute ski products were surveyed by the Bureau of Economic and Business Research about factors to consider when selecting a site for either a ski products manufacturing or distribution facility, and what they found to be the advantages and disadvantages of their location in Utah.[6] The results of the survey showed that the presence of skiing in the state was an important reason for locating a ski products company in Utah. Ski products companies in Utah are conveniently located relative to their markets and are able to test their products on the slopes of the resorts.

The ski products business is a relatively new industry in Utah with few companies having tenure of 10 years or more. The development of this industry appears to have paralleled the growth of skier-visits in the state.

The employment levels of many Utah ski products firms tend to be seasonal. Sixteen firms reported total employment ranging from 347-608 workers.

Conclusion

The study has shown that skiing makes an important contribution to employment, income, and tax revenues in Utah. Beyond the direct and indirect impacts cited, skiing influences the Utah economy in an immeasurable way. The recreational opportunities provided by the mountainous environment are a part of the favorable quality of life which Utahns enjoy. When businesses consider new locations for expansion, the quality of life factors are among the key determinants. The availability and excellence of Utah skiing is thus a drawing card for new businesses to the state.

---

[6]Constance Steffen, *The Ski Products Industry*, Bureau of Economic and Business Research, University of Utah, February 1984.

Utah Business Statistics

UTAH DATA	Dec. 1983	Dec. 1982	% Change from Year Ago	12 Month Average 1983	12 Month Average 1982	% Chg.
Total Personal Income (mil. of dol.) (qtly.)	15,155.0	14,095.0	7.5	14,611.1	13,787.8	6.0
New Corporations (no.)	515	645	-20.2	485.4	465.8	4.2
New Cars, Truck and Motorhome Sales (no.)	5,409	3,862	40.1	5,281.3	na	na
Agriculture						
Average Prices Recorded by Farmers (15th of each mo.)(dol.):						
Beef Steers and Heifers (cwt)(thous.)	55.5	52.2	6.3	55.6	57.0	-2.3
Lambs (cwt)	53.3	47.0	13.4	51.3	50.9	0.9
Milk Wholesale (cwt)	13.6	13.5	0.7	12.9	12.9	-0.1
Alfalfa Hay, Baled (per ton)	84.0	73.0	15.1	79.0	66.3	19.2
Cattle Slaughtered (live weight)(thous. of lbs.)	28,423.0	na	na	24,302.8	na	na
Construction						
Total Construction[a] (thous. of dol.):	148,900.0	2,238,400.0	-93.3	314,400.0	269,791.7	16.5
Residential	48,600.0	41,500.0	17.1	65,675.0	39,700.0	65.4
Nonresidential	21,600.0	18,800.0	14.9	37,708.3	32,850.0	14.8
Public Works and Utilities	78,600.0	2,178,100.0	-96.4	211,033.3	197,250.0	7.0
Total Permit Construction[b] (thous. of dol.):	76,798.2	77,347.8	-0.7	92,929.2	80,279.1	15.8
Residential	31,788.8	24,998.1	27.2	54,817.3	28,969.2	89.2
Nonresidential	31,740.9	46,938.3	-32.4	26,751.0	36,673.1	-27.1
Additions, Alterations and Repairs	13,268.5	5,391.4	146.1	11,360.9	14,636.8	-22.4
New Dwelling Units (no.)	694	569	22.0	1,222.0	639.3	91.2
Employment						
Civilian Labor Force (thous.):	658.9	647.4	1.8	651.8	645.4	1.0
Total Employed Persons	616.9	590.7	4.4	601.9	595.1	1.2
Unemployed Persons	42.0	56.7	-25.9	49.9	50.3	-0.9
Percent Total Labor Force	6.4	8.8	-27.3	7.7	7.8	-1.6
Employees on Nonagricultural Payrolls (thous. of jobs):	585.1	560.5	4.4	565.2	559.8	1.0
Manufacturing	90.0	82.4	9.2	85.4	85.8	-0.5
Mining	14.3	15.1	-5.3	13.9	18.2	-23.8
Contract Construction	29.6	25.8	14.7	28.6	26.9	6.5
Transportation, Communication and Utilities	36.8	35.7	3.1	35.9	35.4	1.4
Wholesale Trade	35.2	34.1	3.2	34.3	34.5	-0.7
Retail Trade	106.0	101.6	4.3	99.1	97.2	2.0
Finance, Insurance and Real Estate	29.1	27.3	6.6	28.1	26.6	5.6
Services[c]	114.5	110.7	3.4	111.3	108.7	2.4
Federal Government	36.4	36.6	-0.5	37.1	37.3	-0.3
State Government[d]	34.8	34.1	2.1	34.3	33.3	3.0
Local Government[d]	58.5	57.1	2.5	57.3	56.0	2.4
Average Weekly Hours:						
Manufacturing	40.6	38.5	5.5	39.3	38.5	2.3
Mining	43.9	41.9	4.8	41.6	42.6	-2.2
Contract Construction	35.5	38.7	-8.8	37.3	37.9	-1.6
Wholesale Trade	38.2	36.9	3.5	37.7	37.1	1.8
Retail Trade	30.0	29.1	3.1	28.7	28.1	2.1
Amount of Unemployment Compensation (thous. of dol.)	6,247.2	13,247.6	-52.8	8,837.0	11,025.0	-19.8
Finance						
Savings, Savings and Loan Association (mil. of dol.)	1,902.8	1,680.5	13.2	1,793.0	1,633.3	9.8
Tax Collections by the State of Utah (thous. of dol.):						
Total Tax Collections	57,407.1	44,899.0	27.9	93,644.3	85,605.9	9.4
Sales and Use Tax	1,383.7	3,879.8	-11.8	33,376.3	32,036.6	4.2
Motor Fuel Tax	8,370.0	6,762.8	76.7	5,717.1	5,717.7	.0
Individual Income Tax	29,750.8	25,139.1	18.3	30,580.3	26,892.2	13.7
Corporation Franchise Tax	413.2	-237.8	-268.0	2,997.7	3,254.1	-7.9
Production						
Net Electric Power Utilized (mil. of kwh)	1,178.9	1,040.0	13.4	1,090.8	1,017.7	7.2
Crude Oil to Refineries (thous. of bbls.)	4,204.7	4,641.3	-9.4	4,158.8	3,988.4	4.3
Crude Oil (thous. of bbls.)	3,038.8	1,967.3	54.5	2,514.1	1,846.7	36.1
Natural Gas (mil. of cu. ft.)	9,342.1	8,390.0	11.3	7,686.9	7,305.4	5.2
Coal (thous. short tons)	958.0	1,268.0	-24.4	1,181.2	1,419.1	-16.8
Copper[e] (thous. metric tons)	11,278.0	12,162.0	-7.3	14,141.7	15,642.5	-9.6
Tourism/Travel						
Air Passengers (total no. on and off)(S.L. Int'l. Airport)	583,269	604,060	-3.4	593,193.5	474,473.5	25.1
Highway Traffic Count Across State Lines	23,887	28,058	-14.9	34,348.0	na	na
Transient Room Taxes (thous. of dol.)	278.7	75.9	267.2	317.7	na	na
Visits, State, Nat'l. Parks, Monuments (thous.)	220.6	287.5	-23.3	945.4	1,033.6	-8.5
Utilities						
Telephone Lines in Service (Mt. Bell)(residential)	450,407	441,159	2.1	443,502.0	437,586.9	1.4
Telephone Lines in Service (Mt. Bell)(nonresidential)	156,502	145,534	7.5	150,663.1	142,941.8	5.4
Electric Customers (residential)	411,907	404,291	1.9	403,428.3	400,195.0	1.3
Electric Customers (commercial)	39,126	38,290	2.2	38,700.6	37,939.0	2.0
Natural Gas Customers (residential & commercial)	407,908	399,190	2.2	402,446.3	393,167.8	2.4
Natural Gas Customers (industrial)	520	545	-4.6	536.0	544.3	-1.5

Utah Business Statistics

	Dec. 1983	Dec. 1982	% Change from Year Ago	12 Month Average 1983	12 Month Average 1982	% Chg.
Davis County						
Non-Ag. Employment (thous.)	47.0	46.1	2.0	46.1	45.7	0.9
Unemployment Rate	6.0	7.2	-16.7	6.6	6.9	-4.2
Auth. Permit Construction (thous. of dol.)	5,026.9	4,396.7	14.3	10,197.7	61,194.2	-83.3
New Dwelling Units (no.)	62	55	12.7	164.0	68.9	138.0
Postal Receipts (thous. of dol.)	425.1	430.4	-1.2	317.0	322.1	-1.6
Electric Customers (residential)	30,055	29,229	2.8	29,554.1	28,419.4	4.0
Electric Customers (commercial)	2,259	2,226	1.5	2,263.6	2,247.2	0.7
Natural Gas Customers (residential)	41,627	39,836	4.5	40,783.4	39,746.4	2.6
Natural Gas Customers (industrial)	44	46	-4.3	44.8	44.3	1.1
Telephone Lines in Service (Mt. Bell)(residential)	37,311	36,981	0.9	37,446.3	36,615.9	2.3
Telephone Lines in Service (Mt. Bell)(nonresidential)	6,635	6,307	5.2	6,477.6	6,071.3	6.7
Salt Lake County						
Non-Ag. Employment (thous.)	305.4	291.6	4.7	294.3	289.3	1.7
Unemployment Rate	5.3	7.9	-32.9	6.8	7.3	-7.8
Auth. Permit Construction (thous. of dol.)	32,549.8	47,601.1	-31.6	41,909.4	39,800.9	5.3
New Dwelling Units (no.)	315	243	29.6	597.4	226.8	163.4
Postal Receipts (thous. of dol.)	6,825.9	6,083.8	12.2	5,947.6	5,630.2	5.6
Electric Customers (residential)	203,858	199,470	2.2	200,509.2	197,603.1	1.5
Electric Customers (commercial)	15,984	15,591	2.5	15,788.1	15,437.0	2.3
Natural Gas Customers (residential)	196,087	191,278	2.5	192,431.8	188,343.5	2.1
Natural Gas Customers (industrial)	239	247	-3.2	244.7	247.3	-1.0
Telephone Lines in Service (Mt. Bell)(residential)	210,393	206,344	2.0	207,695.3	205,323.9	1.2
Telephone Lines in Service (Mt. Bell)(nonresidential)	103,130	95,522	8.0	98,889.6	94,442.2	4.7
Utah County						
Non-Ag. Employment (thous.)	67.4	64.6	4.3	64.1	63.9	0.4
Unemployment Rate	6.6	10.5	-37.1	8.1	8.7	-6.3
Auth. Permit Construction (thous. of dol.)	12,273.7	2,844.8	331.4	10,731.3	7,357.3	45.9
New Dwelling Units (no.)	44	32	37.5	105.9	60.8	74.3
Postal Receipts (thous. of dol.)	963.4	905.2	6.4	770.8	762.8	1.0
Electric Customers (residential)	46,734	46,324	0.9	45,789.5	46,534.1	-1.6
Electric Customers (commercial)	5,348	5,203	2.8	5,264.9	5,191.1	1.4
Natural Gas Customers (residential)	57,035	55,948.0	1.9	55,927.9	55,104.6	1.5
Natural Gas Customers (industrial)	63	65.0	-3.1	66.0	68.3	-3.3
Telephone Lines in Service (Mt. Bell)(residential)	61,465	59,926	2.6	59,598.0	59,024.9	1.0
Telephone Lines in Service (Mt. Bell)(nonresidential)	13,518	12,581	7.4	13,055.3	12,151.0	7.4
Weber County						
Non-Ag. Employment (thous.)	51.8	49.5	4.6	50.3	49.4	1.8
Unemployment Rate	7.9	10.1	-21.8	8.7	9.1	-4.1
Auth. Permit Construction (thous. of dol.)	6,639.3	3,566.4	86.2	8,208.7	4,867.2	68.7
New Dwelling Units (no.)	45	55	-18.2	82.0	42.9	91.1
Postal Receipts (thous. of dol.)	731.4	681.5	7.3	552.9	536.2	3.1
Electric Customers (residential)	49,360	49,162	1.4	49,242.9	48,597.1	1.3
Electric Customers (commercial)	4,430	4,376	1.2	4,377.9	4,325.8	1.2
Natural Gas Customers (residential)	46,149	45,298	1.9	45,390.7	44,831.5	1.2
Natural Gas Customers (industrial)	75	83	-9.6	80.8	82.1	-1.6
Telephone Lines in Service (Mt. Bell)(residential)	44,408	43,138	2.9	43,396.7	43,075.3	0.7
Telephone Lines in Service (Mt. Bell)(nonresidential)	9,977	9,462	5.4	9,665.6	9,371.1	3.1

Sources:
Personal Income: Bureau of Economic Analysis, U.S. Department of Commerce.
New Corporations: Utah Secretary of State
New Cars and Truck Sales: Utah State Tax Commission, Economic and Statistical Unit
Agriculture: U.S. Department of Agriculture
Savings, Savings and Loan Associations: Utah Savings and Loan Institutions
Tax Collections: Utah State Tax Commission
Employment Data: Utah Department of Employment Security
Construction Data: F.W. Dodge and Utah Construction Report
Air Passengers: Salt Lake International Airport, Statistics Service
Highway Traffic Count: Utah Department of Transportation, Travel Analysis Unit
Visits to State and National Parks and Monuments: U.S. Forest Service, Utah State Parks and Recreation Department
Utilities Data: Cooperating Utah utility companies
Net Electric Power Utilized: Cooperating Utah power companies

Footnotes:
[a] Obtained from F.W. Dodge Statistics
[b] Obtained from Utah Construction Report
[c] Includes services by nonprofit and religious institutions
[d] Includes public schools and colleges
[e] To convert metric tons to short tons, multiply by 1.10231

[na] Not available
[p] Preliminary

Bureau of Economic and
Business Research
University of Utah
Salt Lake City, Utah 84112
Return Postage Guaranteed
(Non-Profit Organization)

Non-Profit Org.
U.S. Postage Paid

Permit No. 1529
Salt Lake City, Utah

SRI ACQUISITION
CONGRESSIONAL
INFORMATION SERVICE, INC.
4520 EAST WEST HIGHWAY
BETHESDA, MARYLAND 20814

NATIONAL DATA

	Dec. 1983	Dec. 1982	% Change from Year Ago	12 Month Average 1983	12 Month Average 1982	% Chg.
U.S. Gross National Product (qtly.)	3,436.2	3,109.6	10.5	3,310.5	3,073.0	7.7
Total Personal Income (seasonally adjusted)(bil. of dol.)	2,858.0	2,645.0	8.1	2,742.1	2,573.1	6.6
Industrial Production Indexes (1967=100)	156.1	135.2	15.5	147.6	138.6	6.4
Total Non-farm Bus. Expend. on New Plants & Equip. (bil.)(qtly.)	318.8	303.2	5.1	302.5	317.5	-4.7
Index of Leading Indicators	163.1	140.9	15.8	156.1	136.8	14.1
Price Indexes						
Consumer Price Indexes (1967=100, not seasonally adjusted):						
CPI-U (All Urban Consumers) All Items	303.5	292.4	3.8	298.4	289.1	3.2
CPI-U (All Urban Consumers) Food & Beverages	286.5	279.1	2.7	284.4	278.2	2.2
CPI-U (All Urban Consumers) Housing	327.4	316.3	3.5	323.1	314.7	2.7
CPI-U (All Urban Consumers) Transportation	306.3	294.8	3.9	298.4	291.5	2.4
CPI-U (All Urban Consumers) Medical Care	366.2	344.3	6.4	357.3	328.7	8.7
CPI-U (All Urban Consumers) Energy	418.0	419.9	-0.5	419.3	416.1	0.8
Producer Price Index (1967=100, not seasonally adjusted):						
Producer Price Index, All Finished Goods	287.1	285.5	0.6	285.2	280.6	1.6
GNP Price Deflator (qtly.)	218.5	210.0	4.0	215.6	206.9	4.2
Employment (seasonally adjusted)						
Civilian Labor Force (mil.)	112.1	110.9	1.1	111.5	110.2	1.1
Total Employed Persons (mil.)	102.9	99.0	3.9	100.8	99.5	1.3
Unemployment Rate	8.2	10.7	-23.4	9.6	9.7	-1.4
Construction						
Total Construction (mil. of dol.)	13,422.4	14,041.2	-4.4	16,041.3	12,956.0	23.8
Residential	6,481.5	5,401.0	20.0	7,684.7	4,899.3	56.9
Nonresidential	4,741.2	3,884.1	22.1	5,253.5	4,942.2	6.3
Non-Building	2,199.7	4,756.1	-53.7	3,103.1	3,114.5	-0.4
New Dwelling Units (no.)	122,315	100,902	21.2	141,208.8	89,889.1	57.1
Interest Rates						
Short Term (3-month Treasury Bill rate)	8.96	8.01	11.9	8.6	10.7	-19.7
Long Term (30-year Treasury Bond yields)	11.44	10.33	10.7	10.9	12.2	-10.6
Prime Rates Charged by Banks on Short-term Business Loans (ave.)	11.00	11.50	-4.3	10.8	14.9	-27.4
Mortgage Rates (new homes)	11.94	13.09	-8.8	12.2	14.5	-15.7

Sources:

Business Conditions Digest, U.S. Department of Commerce: National employment data, interest rates, industrial production indexes, index of leading indicators, and GNP price deflator.

Federal Reserve Bulletin: Prime rates and total non-farm business expenditures on new plants and equipment.

F.W. Dodge Report, McGraw-Hill: National construction data.

Monthly Labor Review, U.S. Department of Labor Consumer and producer price indexes.

Survey of Current Business, U.S. Department of Commerce: Gross National Product, mortgage rates and total national personal income.

Chase N. Peterson, *President, University of Utah*
Iver E. Bradley, *Dean, Graduate School of Business*

BUREAU OF ECONOMIC AND BUSINESS RESEARCH

R. Thayne Robson, Director
Frank C. Hachman, Associate Director

graduate school of business
bureau of economic and business research
university of utah

STAFF OF THE BUREAU OF ECONOMIC AND BUSINESS RESEARCH

Office Staff

Mari Lou Wood, Office Manager
Cathy Crawford, Administrative Assistant
Diana S. Gillam, Associate Accountant
Lue Carberry, Administrative Secretary
Gaylene Roethel, Administrative Secretary
Holly Southwick, Clerk
Janice Austin, Clerk

Senior Research Economists

Boyd L. Fjeldsted
Rodger Weaver

Production Staff

James R. Peters, Graphics

Research Analysts, Research Assistants and Programmers

John Atkins
Ronda Brinkerhoff
Alan Hunt
Austin Sargent
Tim Semmelhoff
Azar Shahabi
Constance Steffen
Tony Wilcox
Jim Wood

7/2/84 U8960-2 A

uebr

Utah Economic and Business Review

Volume 44
Number 3
March 1984

BEBR

graduate school
of business
bureau of economic and
business research
university of utah

Selected Business Statistics-Utah Counties

By *Ronda Brinkerhoff*, Research Analyst

Except in the construction category, which registered a 91.2 percent increase in number of new dwelling units and a 15.8 percent increase in value of total construction, Utah's economy last year was on a modest but steady upward course. And for the most part, the picture in Utah paralleled fairly closely that of the nation as a whole.

In both Utah and the United States, percentage increases were registered for each of the most frequently used economic indicators. For example:

	Utah	U.S.[a]
Population (Utah, July 1983)	1.8	1.4
Average Monthly Non-agricultural Employment	.9	.4
Average Monthly Non-agricultural Wage	4.1	5.2
Taxable (Retail) Sales For Utah, year ending June 30, 1983)	1.6	9.1
New Dwelling Units	91.2	47.5
Value of Total New Construction	15.8	14.1

Annual Report

Traditionally, the March issue of the *Utah Economic and Business Review* details selected business statistics for each of Utah's 29 counties and for the state as a whole. These statistics are the best available indexes of the economic health and growth during the four-year survey period, 1980 through 1983.

Categories of economic activity surveyed include Population, Labor Market and Income, Taxes, Construction, and two miscellaneous items – New Car and Truck Registrations and "In Lieu" Tax Payments made to states under provisions of Public Law 94-565.

---

[a]Calculated from 1983 year-end "Current Business Statistics," *Survey of Current Business*, Vol. 64, No. 2 (U.S. Department of Commerce, February 1984), pp. 7-11.

Population

Utah's population increased by 27,500 during 1983 (according to calculations by the Utah Population Estimates Committee). This represents a 1.76 percent increase over the 1982 figure, and up 126,450 persons or 8.65 percent over the official 1980 Census count. With the exception of five, the counties registered increases in population in 1983 over 1982 – the range was from a low of .3 in Sevier County to 8.2 in Millard. Those counties with declines were Carbon, 2.4 percent; Daggett, 5.9; Emery, 1.2; Grand, 1.9, and Rich, 6.3 percent. (Recent population changes for the state are discussed in detail in the December 1983 issue of *Utah Economic and Business Review*.)

Employment

Better-than-average increases in employment in Millard County were chiefly responsible for the area's increased population. Non-agricultural jobs – primarily construction employment at the Intermountain Power Project plant – accounted for a 43.3 percent increase in this category, compared to the .9 percent increase for the state as a whole. In Millard County, too, the average monthly non-agricultural wage showed a greater increase – 32.2 percent – than anywhere else in the state. Large decreases in Wasatch and Carbon Counties, along with more moderate decreases in Emery, Garfield, Grand and six other counties, held the state's average increase to 4.1 percent. (In 1982, the increase was 5.6 percent greater than in 1981.)

Construction

Interestingly, new home building in Millard County actually showed a 20.5 percent decline from the previous year. However, in the state as a whole, new home construction showed a better than 90 percent increase, and the value of total construction increased by 15.8 percent. Best percentage increases in construction activity were shown in Daggett County, but because volume was so small, the figures do not carry much weight in the total picture. In Salt Lake County, with high volume building activity, the percentage increase in number of new dwelling units was 163.4; Iron County registered a healthy 208.2 percent, and Morgan County, 154.2 percent. Statewide, 14,664 new dwelling units were authorized for construction in 1983, and the dollar value of total construction in the state topped $1 billion. (See the *Utah Construction Report*, October-November-December 1983, for details.)

Figure 1
Average Non-agricultural Employment
Percent Change, 1982-1983

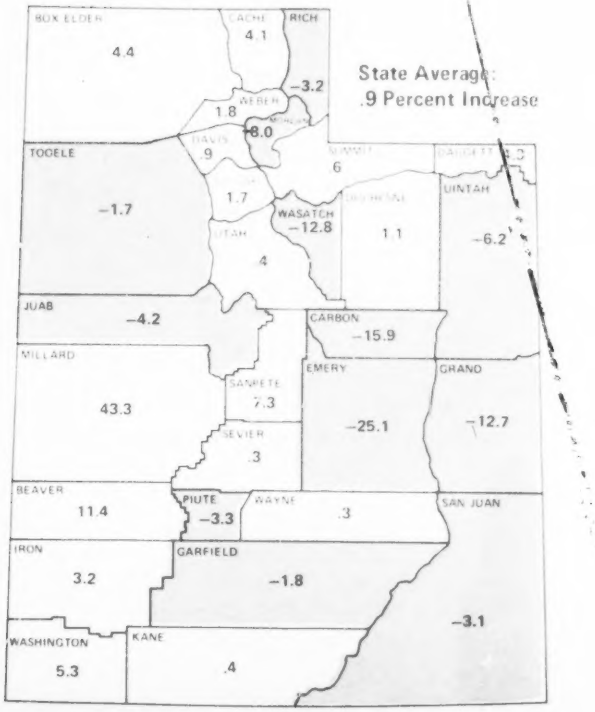
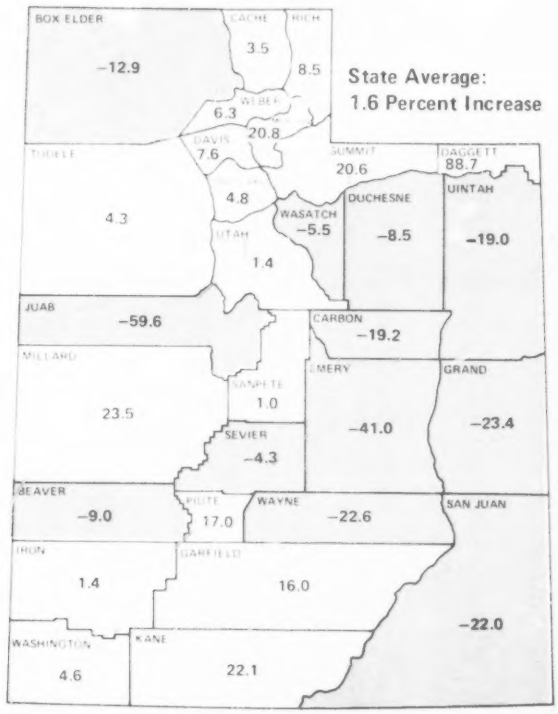


Figure 2
Gross Taxable Sales
Percent Change, 1982-1983



BEST AVAILABLE COPY

Taxes and Gross Taxable Sales

As shown in Summary Table 1 and in the detail tables for each county, property tax increases were registered throughout the state in 1983, and ranged from a low of .6 percent in San Juan County to a high of 48.0 percent in Uintah. The overall state average was 13.6 percent.

Gross taxable sales, a good indicator of how people are spending their disposable income, rose by a modest 1.6 percent statewide, and as shown in Summary Table 1 and Figure 2, declines were recorded in more than one-third of the state's 29 counties. Emery County, smarting under problems of high unemployment, was especially hard hit with respect to dollar value of taxable (retail) sales. Other counties where the decline reached near or more than 20 percent decrease were Carbon, Grand, San Juan and Wayne.

Summary Table 1
1983 Population and Six Other Economic Indicators
Percent Change by County
1982 - 1983

	Population		Average Monthly Non-agricultural Employment	Average Monthly Non-agricultural Wage	Property Taxes Charged	Gross Taxable Sales	Number of New Dwelling Units	Value of Total Construction
	1983 Estimates	Percent Change 1982-83						
Beaver	4,950	4.2	11.4	7.9	14.6	–9.0	7.7	63.8
Box Elder	35,300	1.1	4.4	9.5	5.6	–12.9	–16.8	26.6
Cache	64,000	2.9	4.1	5.0	15.8	3.5	111.3	74.8
Carbon	24,000	–2.4	–15.9	–7.6	20.4	–19.2	3.8	–17.5
Daggett	800	–5.9	4.3	2.3	20.6	88.7	333.3	522.1
Davis	160,800	1.9	.9	3.5	13.6	7.6	138.0	90.2
Duchesne	14,050	3.3	1.1	–.9	6.6	–8.5	–12.0	–58.4
Emery	12,750	–1.2	–25.1	–2.4	25.3	–41.0	–68.5	–40.5
Garfield	3,950	2.6	–1.8	–1.5	27.1	16.0	30.4	66.7
Grand	7,950	–1.9	–12.7	–1.7	8.8	–23.4	13.0	43.5
Iron	18,600	1.6	3.2	1.9	6.3	1.4	208.2	22.0
Juab	5,850	.9	–4.2	–1.2	1.7	–59.6	–18.2	21.6
Kane	4,250	1.2	.4	–1.5	14.7	22.1	18.3	–35.3
Millard	11,250	8.2	43.3	32.2	17.3	23.5	–20.5	15.6
Morgan	5,300	1.9	–8.0	5.4	21.9	20.8	154.2	113.8
Piute	1,500	7.1	–3.3	15.8	7.7	17.0	–	–
Rich	2,250	–6.3	–3.2	4.6	26.2	8.5	80.0	74.5
Salt Lake	666,000	1.7	1.7	5.3	11.4	4.8	163.4	5.3
San Juan	12,900	1.6	–3.1	.3	.6	–22.0	–23.8	41.8
Sanpete	16,700	1.8	7.3	–.9	18.8	1.0	–66.2	–1.8
Sevier	15,650	.3	.3	3.4	15.8	–4.3	–26.8	21.2
Summit	11,700	2.6	.6	4.3	22.2	20.6	71.0	57.1
Tooele	27,000	.7	–1.7	7.4	16.8	4.3	25.0	–73.9
Uintah	24,600	2.5	–6.2	1.8	48.0	–19.0	–68.6	–62.8
Utah	240,700	2.2	.4	2.7	15.4	1.4	74.3	45.9
Wasatch	8,850	1.7	–12.8	–15.1	14.9	–5.5	20.5	–11.4
Washington	30,800	4.1	5.3	5.0	18.9	4.6	55.8	11.9
Wayne	2,150	4.9	.3	9.0	38.5	–22.6	–25.0	–50.5
Weber	152,900	1.3	1.8	3.8	10.2	6.3	91.1	68.7
State Totals	1,587,500	1.8	.9	4.1	13.6	1.6	91.2	15.8

Selected Business Statistics for Utah Counties

	1980	1981	1982	1983	Percent Change 1982-1983
Beaver					
Population	4,378	4,600	4,750	4,950	4.2
Labor Market Data:					
Average civilian labor force	1,777	1,803	1,800	1,988[P]	10.4
Average nonagricultural employment	1,051	1,073	1,031	1,148[P]	11.4
Income Data:					
Average monthly nonagricultural wage ($)	939	944	946	1,021[P]	7.9
Annual nonagricultural payroll ($ thousands)	11,840[R]	12,200[R]	11,701	17,055[P]	45.8
Total personal income ($ thousands)	27,600[R]	30,600[R]	31,200	na	–
Per capita personal income ($)	6,273[R]	6,791[R]	6,582	na	–
Tax Data:					
Total assessed valuation ($ thousands)	15,853	18,373	20,211	23,219	14.9
Property taxes charged, by all taxing units ($ thousands)	1,031	1,109	1,274	1,460	14.6
Gross taxable sales ($ thousands)	19,521	21,725	23,054	20,986	–9.0
Net local sales tax collections ($ thousands)	143	160	169	154	–8.9
Construction (Permit-authorized):					
New dwelling units (number)	41	142	26	28	7.7
Value of new residential construction ($ thousands)	1,521	4,273	1,058	1,252	18.3
Value of new nonresidential construction ($ thousands)	634	693	93	984	958.1
Value total construction ($ thousands)	2,353	5,592	1,635	2,678	63.8
Miscellaneous:					
New car and truck registrations (number)	na	130	97	153	57.7
In lieu tax payments under Public Law 94-565 ($ thousands)	206	213	198	203	2.5
Box Elder					
Population	33,222	34,100	34,900	35,300	1.1
Labor Market Data:					
Average civilian labor force	16,806	17,460	17,345	17,794[P]	2.6
Average nonagricultural employment	11,578	12,056	11,779	12,299[P]	4.4
Income Data:					
Average monthly nonagricultural wage ($)	1,184	1,343	1,491	1,632[P]	9.5
Annual nonagricultural payroll ($ thousands)	164,507	194,300[R]	210,717	238,342[P]	13.1
Total personal income ($ thousands)	264,200[R]	308,900[R]	329,100	na	–
Per capita personal income ($)	7,911[R]	8,981[R]	9,396	na	–
Tax Data:					
Total assessed valuation ($ thousands)	123,111	152,558	171,105	175,938	2.8
Property taxes charged, by all taxing units ($ thousands)	7,271	8,008	8,910	9,412	5.6
Gross taxable sales ($ thousands)	136,809	163,680	185,244	161,404	–12.9
Net local sales tax collections ($ thousands)	1,006	1,203	1,355	1,180	–12.9
Construction (Permit-authorized):					
New dwelling units (number)	311	242	190	158	–16.8
Value of new residential construction ($ thousands)	10,434	7,528	5,945	6,978	17.4
Value of new nonresidential construction ($ thousands)	4,262	19,884	3,476	5,842	68.1
Value total construction ($ thousands)	16,373	28,947	11,234	14,223	26.6
Miscellaneous:					
New car and truck registrations (number)	na	1,022	840	1,285	53.0
In lieu tax payments under Public Law 94-565 ($ thousands)	751	795	729	747	2.5
Cache					
Population	57,176	60,000	62,200	64,000	2.9
Labor Market Data:					
Average civilian labor force	24,839	25,010	25,069	25,842[P]	3.1
Average nonagricultural employment	19,892	19,818	19,592	20,392[P]	4.1
Income Data:					
Average monthly nonagricultural wage ($)	878	963	1,006	1,056[P]	5.0
Annual nonagricultural payroll ($ thousands)	209,585[R]	229,000[R]	236,491	259,095[P]	9.6
Total personal income ($ thousands)	367,200[R]	422,300[R]	442,700	na	–
Per capita personal income ($)	6,381[R]	7,063[R]	7,152	na	–
Tax Data:					
Total assessed valuation ($ thousands)	137,110	164,114	172,988	182,366	5.4
Property taxes charged, by all taxing units ($ thousands)	8,446	9,494	10,684	12,371	15.8
Gross taxable sales ($ thousands)	256,984	279,900	288,646	298,612	3.5
Net local sales tax collections ($ thousands)	1,889	2,057	2,111	2,184	3.5
Construction (Permit-authorized):					
New dwelling units (number)	467	392	238	503	111.3
Value of new residential construction ($ thousands)	17,229	13,833	9,526	20,896	119.4
Value of new nonresidential construction ($ thousands)	13,886	7,179	5,108	9,274	81.6
Value total construction ($ thousands)	32,475	23,723	18,668	32,633	74.8
Miscellaneous:					
New car and truck registrations (number)	na	1,366	1,118	1,702	52.2
In lieu tax payments under Public Law 94-565 ($ thousands)	182	176	160	163	.6